

Message Text

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PAGE 01 GENOA 00277 271400Z

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SUBJ: WORKERS OCCUPY TORRINGTON PLANT

REF: GENOA 0265

1. SUMMARY. JUNE 25 MEETING BETWEEN TORRINGTON S.P.A. LIQUIDATORS AND UNION REPRESENTATIVES CONFIRMED FINALITY OF LIQUIDATION DECISION (REFTEL). LABOR UNION REPRESENTATIVES OF TORRINGTON WORKERS THEN ANNOUNCED OCCUPATION OF PLANT. GOAL OF OCCUPATION IS TO MAINTAIN FACTORY INTACT FOR HOPED-FOR ASSORPTION BY ONE OF THE ITALIAN STATE-CONTROLLED HOLDING COMPANIES. TORRINGTON CONSIDERS OCCUPATION OF PLANT BY WORKERS UNACCEPTABLE LABOR ACTION, AND WILL NO LONGER OFFER TO STRETCH OUT LIQUIDATION PERIOD.

2. ACCORDING TO TORRINGTON REPRESENTATIVES, MEETING ORGANIZED BETWEEN LABOR AND MANAGEMENT BY LOCAL INDUSTRIALISTS ASSOCIATION BEGAN QUIETLY. TORRINGTON LIQUIDATOR INDICATED WILLINGNESS STRETCH OUT DISMISSALS UNCLASSIFIED

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PAGE 02 GENOA 00277 271400Z

OF 530 WORKERS IN PHASES BEGINNING JULY 1 AND ENDING

NOVEMBER 30. ALSO OFFERED PAY EXTRA TWO-THIRDS OF ONE MONTH S PAY IN ORDER TO ENTITLE EACH WORKER TO RECEIVE TWO-THIRDS OF FURTHER FIVE MONTHS PAY FROM AN INSTITUTE OF ITALIAN STATE. THIS OFFER IN ADDITION TO COMPULSORY SEVERANCE BENEFITS. HOWEVER, LIQUIDATOR REEMPHASIZED COMPELLING ECONOMIC REASONS FOR CLOSURE AND DID NOT OFFER TO ISCUSS BASIC DECISION.

3. WORKER REPRESENTATIVES OFFERED TO WORK WITH TORRINGTON TO INCREASE COMPETITIVENESS OF ENTERPRISE. THEY INSISTED THAT JOBS BE PRESERVED IN SOME MANNER. TONE OF MEETING BECAME ANGRIER WHEN LIQUIDATOR REPLIED THAT NO RECONSIDERATION OF BASIC DECISION WAS POSSIBLE. LABOR REPRESENTATIVES THEN ACCUSED COMPANY OF FORCING WORKERS TO PAY FOR TORRINGTON S ALLEGED PAST BUSINESS INEFFICIENCIES. AT CONCLUSION, WORKER REPRESENTATIVES ANNOUNCED OCCUPATION OF THE TORRINGTON PREMISES BY WORKERS IN ORDER TO PREVENT DISMANTLING OF PRODUCTIVE APPARATUS.

4. WORKERS HOPE PLANT WILL BE ACQUIRED BY ONE OF ITALY S STATE-CONTROLLED HOLDING COMPANIES. LIQUIDATOR WILLING CONSIDER SUCH POSSIBILITY, BUT WORRIED ABOUT POSSIBLE COMMERCIAL LOSSES TO EVENTUAL COMPETITION IN WORLD MARKET. WORKER PAY STOPPED AS OF PLANT OCCUPATION. DISMISSAL LETTERS AND FINAL PAY WILL FOLLOW IN DUE COURSE.

5. TORRINGTON MANAGERS UNHAPPY WITH EXTENSIVE AND GENERALLY NEGATIVE PRESS PLAY GIVEN INCIDENT. SUCH PRESS TREATMENT PROBABLY INEVITABLE GIVEN UNEXPECTED CHARACTER LIQUIDATION DECISION. RESPONDING TO WORKER AND PRESS CLAIMS THAT INSUFFICIENT NOTICE WAS GIVEN OF FIRM S TROUBLS, COMPANY OFFICIAL STRESSED THAT ON THREE OCCASIONS IN PAST FOUR YEARS INCUMBENT MANAGING DIRECTORS INFORMED WORKERS INDIVIDUALLY BY LETTER OF COMPANY S PROBLEMS AND REQUESTED MAXIMUM EMPLOYEE COOPERATION. PROBLEMS OF TORRINGTON IN ITALY MUST BE VIEWED IN LIGHT LAYOFFS COMPANY S U.S. AND CANADA PLANTS AND CLOSURE U.K. PLANT.

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PAGE 03 GENOA 00277 271400Z

6. INDICATIONS ARE THAT TORRINGTON LIKELY TO SHARE SPOTLIGHT FOR FORESEEABLE FUTURE WITH OTHER GENOESE FIRMS IN CRISIS. IN FEW DAYS SINCE REGIONAL ELECTIONS, LIGURIA HAS BEEN SHAKEN BY ANNOUNCEMENT OF SERIOUS DIFFICULTIES IN THREE LARGE MANUFACTURING COMPANIES. LABOR UNIONS ORGANIZED DEMONSTRATION IN MAIN CITY SQUARE ON JUNE 26. SEVERAL BANNERS REFERRED TO TORRINGTON SITUATION. LIGURIA, SPARED FROM ECONOMIC

TROUBLES FOR MONTHS, SEEMS NOW TO BE EXPERIENCING
EFFECTS COUNTRYWIDE RECESSION.BRUNO

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